



CANNON BUILDING
861 SILVER LAKE BLVD., SUITE 203
DOVER, DELAWARE 19904-2467

STATE OF DELAWARE
DEPARTMENT OF STATE

DIVISION OF PROFESSIONAL REGULATION

TELEPHONE: (302) 744-4500
FAX: (302) 739-2711
WEBSITE: WWW.DPR.DELAWARE.GOV

APPENDIX

TO

THE REAL ESTATE EDUCATION GUIDELINES

of the Delaware Real Estate Commission

This document contains the course provider and instructor application forms, required course outlines and other information pertinent to the fulfillment of the education requirements established by the Delaware Real Estate Commission.

This is a supplement to the Education Guidelines promulgated by the Commission.

The Guidelines are available on line at the Commission's web site. You must download the Education Guidelines that govern the use of this information separately.

This information is being distributed separately to ensure that the Guidelines accessible to the public will be current at all times.

Note this information will be updated regularly, it is therefore important that you access updated information prior to submitting any future application.

Revised 09/05

SAMPLE CERTIFICATE of CONTINUING EDUCATION**

This Certifies that

***Student Name**_____

successfully completed 3 credits* in

Topic Area* entitled Course Title*

**as approved by the Delaware Real Estate Commission # (approval number)*
(also may list any other Commission by which approved)
on (Date of Course Completion)***

Sponsor Name*

**Name & Signature of Instructor(s)*
Instructor(s) Approval Number(s)***

Add School Code if Certificate is for a Prelicensing Course ***

* Denotes required information

** OR PRELICENSING COURSE

*** SCHOOL CODE ASSIGNED BY THE TESTING SERVICE



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REAL ESTATE COMMISSION
REAL ESTATE EDUCATIONAL COURSE/PROVIDER APPLICATION

This application constitutes a request for approval of an organized educational activity that is intended to fulfill the requirements for obtaining and maintaining a real estate license in the State of Delaware. Please respond to all questions in this application. The information contained in (and provided with) this application may form the sole basis on which the request is approved or disapproved. Any request that is incomplete when filed shall not be considered to have been filed. This request for approval shall be submitted sixty (60) days prior to the date that the activity is expected to be held. Failure to file within the specified time limit may be cause for rejection. There is no retroactive approval process. Send the original completed application, appropriate supporting documentation and a fee of \$40.00 payable to the "State of Delaware" to the Delaware Real Estate Commission, Education Committee, 861 Silver Lake Boulevard, Suite 203, Dover, DE 19904-2467.

PROVIDER NAME _____ DATE _____

MAILING ADDRESS _____ PHONE _____

CITY _____ STATE _____ ZIP _____

CLASSROOM LOCATION(S) _____

If this application is for a prelicensing course approval, attach a copy of the current school certification issued by the Delaware Department of Education. If application is for distance education, attach a copy of the current ARELLO certification.

CITY, STATE, ZIP _____

OFFICIAL REPRESENTATIVE NAME _____ PHONE _____

TITLE _____ E-MAIL _____

APPLICATION FOR: (check one)

☐ Pre-Licensing Course ☐ Broker's Licensing Course ☐ Continuing Education

If making application for a Continuing Education Course, please check the eligible topic area below:

- ☐ Federal, State or Local Legislative Issues (Legislative Update)
- ☐ Fair Housing Law
- ☐ Anti-Trust Law
- ☐ Real Estate Ethics or Professional Standards
- ☐ Agency Relationships and Responsibilities
- ☐ Professional Enhancement for Practicing Licensees
- ☐ Mandatory Continuing Education Course per Delaware Real Estate Commission
- ☐ Property Management Course

TITLE OF COURSE _____

NUMBER OF CREDIT HOURS REQUESTED _____

*******AN ACCREDITABLE HOUR SHALL BE DEFINED AS ATTENDANCE FOR A MINIMUM OF 50 MINUTES. IN NO EVENT SHALL THE CREDIT HOURS EXCEED CLOCK HOURS. PARTIAL CREDIT HOURS ARE NOT GIVEN.**

DELAWARE REAL ESTATE COMMISSION
REAL ESTATE EDUCATIONAL COURSE/PROVIDER APPLICATION

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GENERAL INFORMATION REQUIREMENTS:

1. **Attach a complete, detailed outline** (lesson plan & typical timetable i.e. 9:00 - 9:50 math, 9:50 - 10:00 break, 10:00 - 10:50 ethics, etc.) of the offering. If approval of a prelicensing/broker course is being sought, attach a copy of current school certification issued by the Delaware Department of Education. If approval is for distance education, a copy of the current ARELLO certification must be included.
2. Once approved, the provider must notify the Commission of its intent to hold an approved educational activity at least seven (7) days in advance of the start of such activity, supplying such information as stipulated in the Guidelines for Education Requirements.
3. Provide a course monitor as described in the Guidelines for Education Requirements.
4. Supply to the student, upon successful completion of the course, a certificate containing the minimum information as stipulated in the Guidelines for Education Requirements.
5. Within fifteen (15) days of the completion of the activity, provide a list of participants, and the original course/instructor evaluation forms and summary to the Commission Office. Failure of the organization to provide this information will automatically suspend the approval of that course or educational activity.

MEMBERS OF THE REAL ESTATE COMMISSION OR EDUCATION COMMITTEE AND/OR THEIR OFFICIAL REPRESENTATIVES SHALL HAVE THE RIGHT TO MONITOR ANY APPROVED COURSE WITHOUT NOTICE.



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**REAL ESTATE COMMISSION
REAL ESTATE INSTRUCTOR APPLICATION**

Applications for instructor certification shall be submitted sixty (60) days prior to the employment starting date or expiration date. Failure to file within the appropriate time limit may be cause for rejection. Send this original completed application, resume, letters of recommendation from previous employers and a fee of \$40.00 payable to the "State of Delaware" to the Delaware Real Estate Commission, Education Committee, 861 Silver Lake Boulevard Suite 203, Dover, DE 19904-2467. An application that is incomplete when filed shall not be considered to have been filed.

NAME_____

MAILING ADDRESS_____

CITY_____STATE_____ZIP_____HOME PHONE_____

E-MAIL_____

EMPLOYER NAME_____

MAILING ADDRESS_____

CITY_____STATE_____ZIP_____WORK PHONE_____

EDUCATION:
HIGH SCHOOL_____

ADDRESS_____

YEAR OF GRADUATION_____AREA OF CONCENTRATION_____

COLLEGE OR UNIVERSITY_____

ADDRESS_____

YEAR OF GRADUATION_____DEGREE_____

DO YOU HOLD A VALID TEACHING CREDENTIAL OR CERTIFICATE ISSUED BY THE STATE OF DELAWARE OR ANOTHER STATE WITH QUALIFICATIONS WHICH EQUAL OR EXCEED THE QUALIFICATION STANDARDS OF THE STATE OF DELAWARE? Yes_____ No_____

MEMBERSHIP IN REAL ESTATE BOARDS, STATE OR NATIONAL ASSOCIATIONS:

Are you a licensed real estate Broker?_____ Salesperson?_____ Attorney?_____

Date License was first issued_____

Are you a member of a local Board/Association? _____ Bar Association? _____

Other Professional Boards/Associations? _____

List any professional designations you have successfully completed (GRI, CRS, CRB, etc.) _____

DELAWARE REAL ESTATE COMMISSION
REAL ESTATE INSTRUCTOR APPLICATION

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LIST ANY EXPERIENCE RELATED TO REAL ESTATE, SUCH AS TEACHING OF REAL ESTATE, AWARDS RECEIVED, ARTICLES PUBLISHED AND OFFICES HELD ON A NATIONAL, STATE OR LOCAL LEVEL:

LIST ANY EXPERIENCE NOT RELATED TO REAL ESTATE, SUCH AS TEACHING, PROFESSIONAL AWARDS, ARTICLES PUBLISHED AND BUSINESS, TRADE OR PROFESSIONAL OFFICES HELD ON A NATIONAL, STATE OR LOCAL LEVEL:

REFERENCES:

LIST TWO PEOPLE WITH WHOM YOU ARE ACQUAINTED (NAME, ADDRESS, PHONE) WHO KNOW YOUR TEACHING SKILLS:

APPLICANTS ARE URGED TO PROVIDE A RESUME OR OTHER RELATED DOCUMENTS. THE INFORMATION PROVIDED WILL BE USED TO DETERMINE WHETHER YOU MEET THE MINIMUM QUALIFICATIONS.

I hereby apply for approval as an instructor, and I attest to having qualities of honesty, integrity and trustworthiness. I have not had any professional license or instructor approval revoked or suspended, nor have I received a reprimand or a fine from any regulating entity of any state. I have not been convicted of, nor entered a plea of nolo contendere to any criminal offense. I have not had any civil judgment entered against me based on fraud, misrepresentation, or deceit.

IT IS THE STATED POLICY OF THE DELAWARE REAL ESTATE COMMISSION THAT AT NO TIME DURING PERIODS OF INSTRUCTION SHALL ANY PERSON INVOLVED IN ANY APPROVED REAL ESTATE EDUCATIONAL ACTIVITY, USE, OR ATTEMPT TO USE, THE POSITION OF INSTRUCTOR, SPONSOR OR PROVIDER ETC., TO SOLICIT EMPLOYEES OR SALES REPRESENTATIVES.

I have read and agree to comply with the Delaware Real Estate License Law and Regulations and the Education Guidelines as established by the Delaware Real Estate Commission. I understand that this certification, if granted, **will expire on the date specified** and will only be granted for the topic areas for which I may be approved.

(SIGNED) _____ DATE _____

—

DELAWARE REAL ESTATE COMMISSION
REAL ESTATE INSTRUCTOR APPLICATION

Page 3

APPLICANT'S NAME _____

MAILING ADDRESS _____

CITY _____ STATE _____ ZIP _____ HOME PHONE _____

E-MAIL _____

TOPIC AREA

(Please place an (x) next to each topic area(s) in which you are applying to receive certification.)

Continuing Education:

- ☐ Federal, State or Local Legislative Issues (Legislative Update)
☐ Fair Housing Law
☐ Anti-Trust Law
☐ Real Estate Ethics or Professional Standards
☐ Agency Relationships and Responsibilities
☐ Professional Enhancement for Practicing Licensees: _____
☐ Salesperson Core Course(s) (List Topics)
☐ Broker Core Course(s)
☐ Property Management Course(s)

Pre-Licensing Course:

- ☐ Orientation
☐ Real Estate Sales
☐ Real Estate Law
☐ Real Estate Mathematics

Broker's Course:

- ☐ Brokerage (Sales Management)
☐ Real Estate Documents
☐ Valuing Real Property
☐ Financing
☐ Legal and Governmental Aspects of Real Estate
☐ Real estate Investment
☐ Ethics
☐ Mathematics

QUALIFICATIONS SUMMARY

Do you have five (5) years full time experience in the trade, business, or profession that relates to the topic(s) of instruction checked above? Yes _____ No _____

Applicants must have education, training and/or experience demonstrating competence in the topic area(s) checked above. Please address how you meet the Instructor Qualifications as stipulated in the *Guidelines For Fulfilling The Delaware Real Estate Education Requirements*. Please use additional sheets of paper, if needed.



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**REAL ESTATE COMMISSION
STUDENT/INSTRUCTOR EVALUATION FORM**

COURSE SPONSOR: _____ DATE _____

TOPIC: _____

COURSE TITLE: _____

INSTRUCTOR(S) NAME(S) _____

Please rate the instructor according to the following scale:

Excellent ----- 5
Above Satisfactory ----- 4
Satisfactory ----- 3
Needs Improvement ----- 2
Unsatisfactory ----- 1

COMPETENCE

Demonstrates in-depth knowledge of subject	5	4	3	2	1
Application of knowledge to teaching	5	4	3	2	1
Made the subject matter understandable	5	4	3	2	1

ORGANIZATION

Well-prepared for the presentation	5	4	3	2	1
------------------------------------	---	---	---	---	---

STUDENT RAPPORT

Encouraged your participation through questions & answers	5	4	3	2	1
Made you feel comfortable and at ease	5	4	3	2	1

MOTIVATION

Showed enthusiasm for subject	5	4	3	2	1
-------------------------------	---	---	---	---	---

PRESENTATION SKILLS

Presented ideas clearly and understandably	5	4	3	2	1
Used varied techniques to keep your attention	5	4	3	2	1
Overall evaluation of the instructor	5	4	3	2	1

COMMENTS: _____



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**REAL ESTATE COMMISSION
COURSE PROVIDER EVALUATION REPORTING FORM**

Course provider must tally student evaluation sheets and enter totals below. Summarize comments on a separate sheet and attach hereto. Please obtain and include the instructor's signature(s) indicating each instructor has reviewed this evaluation result.

COURSE SPONSOR: _____ DATE _____

TOPIC: _____

COURSE TITLE: _____

INSTRUCTOR(S) NAME(S) _____

Rating Scale:

Excellent ----- 5
Above Satisfactory ----- 4
Satisfactory ----- 3
Needs Improvement ----- 2
Unsatisfactory ----- 1

INSTRUCTOR SIGNATURE(S):

COMPETENCE

Demonstrates in-depth knowledge of subject 5 _____ 4 _____ 3 _____ 2 _____ 1 _____

Application of knowledge to teaching 5 _____ 4 _____ 3 _____ 2 _____ 1 _____

Made the subject matter understandable 5 _____ 4 _____ 3 _____ 2 _____ 1 _____

ORGANIZATION

Well-prepared for the presentation 5 _____ 4 _____ 3 _____ 2 _____ 1 _____

STUDENT RAPPORT

Encouraged your participation through
questions & answers 5 _____ 4 _____ 3 _____ 2 _____ 1 _____

Made you feel comfortable and at ease 5 _____ 4 _____ 3 _____ 2 _____ 1 _____

MOTIVATION

Showed enthusiasm for subject 5 _____ 4 _____ 3 _____ 2 _____ 1 _____

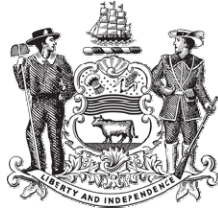
PRESENTATION SKILLS

Presented ideas clearly and understandably 5 _____ 4 _____ 3 _____ 2 _____ 1 _____

Used varied techniques to keep your attention 5 _____ 4 _____ 3 _____ 2 _____ 1 _____

Overall evaluation of the instructor 5 _____ 4 _____ 3 _____ 2 _____ 1 _____

Please attach separate sheet summarizing comments and a copy of your letter of intent as filed with the Commission for this class.



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REAL ESTATE COMMISSION

Delaware Resident and Nonresident License Continuing Education Requirement

General Rule

Every licensee falls into one (1) of the two (2) categories described below. Pursuant to the Rules and Regulations of the Commission a licensee is required to have fifteen (15) approved continuing education credit hours for each two (2) year renewal period. The license period begins on the day following the expiration date of the previous license.

New Licensees - Initial Renewal Period Only

If the first license was issued during the two years previous to a renewal, the credit hour requirement is prorated according to the length of time the license was held prior to the renewal. Refer to your approval letter, or see the prorated requirement as listed below: If you owe less than the full fifteen (15) hours, there is no mandatory course requirement.

<u>Date of Initial Licensure:</u>	<u>Resident</u>	<u>Nonresident</u>	
May 1 through December 31	Even Year	Odd Year	15 Credits
January 1 through December 31	Odd Year	Even Year	6 Credits
January 1 through April 30	Even Year	Odd Year	0 Credits

Subsequent Renewal Period

After the first renewal of your license you are required to complete fifteen (15) continuing education credits every two (2) years. Included in the fifteen (15) credits **each salesperson licensee** must complete three (3) mandatory credits in the required salesperson's core course plus an additional three (3) mandatory credits in Legislative Update relating to Delaware/Federal Law, and **each broker licensee** must complete the 6 hour mandatory broker's core course. **All licensees** must complete nine (9) elective credits in any continuing education course pre-approved by the Delaware Real Estate Commission.

Delaware currently accepts elective continuing education credits approved by the Maryland Commission exclusive of any course relating specifically to Maryland laws.

THREE HOUR REQUIRED SALES LICENSEES CORE COURSE OUTLINE

Real Estate Concepts

- I. The Creation of Agency Relationships in Real Estate 1 Classroom Hour
 - A. Definition of types of agency
 - 1. Seller
 - 2. Buyer
 - 3. Dual
 - 4. Designated
 - 5. Transaction Licensee
 - B. Duties to all consumers
 - 1. Legal Regulations
 - 1. 24 Del. C. §2931
 - 2. Commission Rule 10.0
 - 2. Fiduciary Responsibilities
 - C. Agency Disclosures
 - 1. Initial Interview
 - 2. Agency Forms/Written Documents
 - D. Ethical Considerations
 - E. Summary
 - 1. Broker's role
 - 2. Where do we go from here?

BREAK

- II. The Ethics of the Transaction 1 Classroom Hour
 - A. Introduction. Brief definition as found in the NAR Code of Ethics
 - B. Ethics in Conflict
 - 1. Conflict Real Estate Standards
 - 2. Conflict Ethics vs Law
 - 3. Conflict Professional Practice vs Reasonable Personal Standard
 - 4. Conflict The End Justifies the Means
 - C. Applied Ethics Case Studies
 - 1. Choose 3 or 4 case studies such as
 - a. co-broker listing
 - b. multiple offers
 - c. stigmatized properties
 - d. disclosures
 - e. overpriced listings

BREAK

- III. Fair Housing 1 Classroom Hour
- A. Very briefly cite Fair Housing Act and ADA
 - B. What is and is not allowed in advertising
 - 1. Federal Fair Housing Laws on Advertising
 - 2. Delaware State Law on Advertising
 - C. Review What Constitutes Steering/Block Busting
 - 1. Case Study on Gender
 - 2. Case Study on Familial Status
 - 3. Case Study on Disability
 - D. Testing - The Trouble Spots
 - E. Walk Through the Complaint Process
 - 1. Legal Remedies
 - 2. HUD
 - 3. U.S. District Court
 - 4. Attorney General's Office

NOTE: The "Classroom Hour" is defined as 50 minutes instruction out of every 60 minute hour. Breaks may be arranged at the discretion of the provider.

**6 Hour Mandatory Continuing Education Course for
the Delaware Broker Licensee**

CONTENT:

The following outline represents the required content of the 6 hour mandatory continuing education course required of all Delaware resident broker licensees commencing on January 1, 2003 and of all Delaware nonresident broker licensees commencing on May 1, 2003.

COURSE PROVIDER:

Any sponsor of this course must obtain a certification for the course as required by the Education Guidelines and fulfill all of the requirements of the guidelines in relation to delivery of education to Delaware licensees.

INSTRUCTOR:

Instructors who teach this course must hold a current certification by the Delaware Real Estate Commission to instruct broker licensees and must hold a specific pre-certification obtained by sitting through the complete course as delivered by another instructor who holds the required certifications. To obtain the specific certification relative to this required broker's course, an instructor must submit a certificate of completion of the course to the Education Committee of the Delaware Real Estate Commission with a written request. Failure to maintain the basic instructor certification will void the specific certificate acquired to teach this course.

FIELD EXPERTS:

The use of any field experts proficient in topics contained in this course outline is permissible to the extent that such experts are under the supervision of the primary certified instructor. The time allotted to any expert or combination of experts participating in the delivery of the course may not exceed more than two of the total six classroom hours as defined by Education Guideline 8.2. The name of any expert employed and a notation of the person's field of expertise must be included on the letter of intent submitted by the Course Provider in compliance with Education Guideline 7.2. Such field experts employed under the supervision of the primary instructor are not required to be pre-certified by virtue of their status of expert in the topic they are assigned to address.

Take Note: The Commission reserves the right to make such changes to this outline as deemed necessary.

Mandatory Broker Continuing Education

Contracts & Escrow

- Processing and filing procedures
- Escrow money
- Multiple offers
- Processing and filing procedures
- Escrow money
- Multiple offers
- Contract Terms and Conditions
- Risk reduction
- Settlement procedures
- Key System

Fair Housing

Protected Classes – Federal & State

- Race, Creed, Color, Sex, Religion, National Origin, Handicap, Familial Status, Age, Marital Status, Ancestry

Solutions

- The “Golden Rule”
- Be sensitive to others
- Equal treatment to all
- Broker sets the example

Advertising

Local & State rules

- Office & Phone number
- Fair Housing logo

Internet

- Same rules apply
- Agents personal web sites
- Clients web sites
- E-mail

The Basics

- “True Picture Test” Code of Ethics
- Avoid “Puffing”
- Abide by Fair Housing Laws
- Do no overstate service

Solutions

- Use common sense
- Read your words
- Advertise property not the people
- Abide by code of Ethics “True Picture”

Antitrust

“Unreasonable Restraint of Trade”

- Price Fixing
- Boycott
- Tying
- Market Allocation

Solutions

- Office Policy
- Everything is negotiable
- Pay the same co-op fee to other companies
- Limit “Office Exclusives”

Agency

Company Agency Policy

- Copies to all agents
- Understood by all agents
- Followed by all agents
- Have a “FSBO” policy

Buyer & Seller Disclosure

- In writing and timely
- Understood by all parties

Dual Agency

- Company policy
- Follow the rules

Duties

- Fiduciary
- Statutory
- Common sense

Compensation for Buyer’s Agent

- Who pays?
- FSBO’s
- Bonus treatment
- Agency Agreement

What About “Teams”?

- Who is the responsible agent?
- Who has the liability?
- What about enforcement?

Solutions

- Education of fiduciary duties
- Broker set example
- Written agency agreements
- Standard forms
- It’s the client’s decision

Misrepresentation, Fraud & Disclosure

Misrepresentation

- Failure to disclose
- Material fact
- Reasonable reliance

Physical Condition

- “If you know it, disclose it!”
 - *Previous Inspections*
 - *“Repaired” property conditions*
 - *Seller’s request to “keep it quiet”*
- Buyer Agent “duty” to disclose

Condition Of The People

- Psychologically stigmatized properties
 - *“Material” defect?*
 - *Heart Felt Vs. Legally required disclosure*
 - *Murder, Felonies, Drugs*
- State statute’s

Square Footage & Lot Size

- Is there a duty to measure a house?
- Measure acreage or the lot?
- “County records”

Fraud

- Intentional misrepresentation
- No insurance coverage
- Potential for large damages

Solutions

- Only Seller completes Disclosure
- Source Documentation
 - *Documented by the source*
 - *Not verbal from the Source*
- Confirming Letters & emails
- Do not editorialize – report

Code of Ethics & Procuring Cause

- The Code
- Definition of Procuring Cause
- Case Studies

Independent Contractors, Employees & Personal Assistants

Federal Rule 3508

- Written agreement
- Broker to salesperson (affiliated Broker)
- “Success Fee” not hourly wage

State Considerations

- Workman’s Compensation
- Benefits for “Employee”

Personal Assistants

- Unlicensed – Employee?
- Licensed – Under whom?

Broker Rules & Policy

- Floortime
- Written Office Policy
- Broker’s control

Employee Benefits

- Must be same for all employees
- Vacation Time
- Overtime
- Harassment free environment
- Withholdings, FICA, etc.
- State Income tax guidelines

Solutions

- Written agreements
- Seek competent accounting advice
- Supervise Personal Assistants
- Proper accounting for taxes
- Know state employment laws

Environmental

Physical Condition of the Property

- Seller’s obligation to disclose
- If Broker/Agent know, they must tell everyone
- Prior inspection results
- Tenant complaints

Property Hazards

- Lead Paint
- Asbestos
- Contaminated ground water

Off Site Hazards

- Power Lines
- Waste Sites

The Need For an Inspector

- Recommending Inspectors

Solutions

- Know the area you sell
- Know who is a “Good Inspector”
- Abide by Lead Paint rules
- If you know it – Tell it!
- Encourage inspections of all property

RESPA & CBA’s

- Giving or receiving anything for referral of business
- Designed to eliminate “Kickbacks”
- Designed to make consumer aware of settlement costs
- It’s OK to be paid for work performed

Controlled Business Arrangements

- Check State laws
- HUD required disclosure form
- Can not be a funnel for RESPA violations

What You Can Do

- Sell real estate and get paid for it
- Own a real estate company, and
- Own a mortgage company
- Have a preferred mortgage company
- Recommend a mortgage company, title company

What You Can Not Do

- Make money from the “referral” of business
- Compel someone to use a specific service provider
- Fail to disclose your ownership interest

Solutions

- Do not get paid for “referral”
- This is a Federal Law
- Disclose Controlled Business Arrangements

Unauthorized Practice Of Law

Giving “Legal Advice”

- Explaining in depth the ramifications of a particular clause in a contract
- Explaining the rights of a party
- Saying: “That’s Illegal” when asked the legality of an issue
- Talking about the laws as if you were an attorney
- Your clients are always trying to get legal advice for free

Drafting Contracts

- Filling standard forms blanks
- Writing “additional provisions” is a risk
- “First Right of Refusal”
- Back up Contract”
- Complex financing

- Builder contracts

Solutions

- Don't overstep our bounds
- Construction contracts probably need attorneys
- Use caution in drafting additional provisions
- Seek your Broker's assistance

Americans With Disabilities Act

- Who are we talking about
- Property conditions
- Employment of People with a Handicap
- Standards
 - *"Reasonable effort"*
 - *"Reasonable Accommodation"*

Solutions

- Do not indicate compliance
- Work to assure office compliance
- Equal services to all, accommodate the public
- Hiring has no boundaries to applicants, reasonable accommodation
- Know that the law is complicated

Sexual Harassment

- What is it?
- Who is the problem?
- Why is this such a problem?

Solutions

- Office Policy in writing
- Broker sets the example
- Take it seriously
- Office meeting once a year

Megans's Law

- The law – H.R. 2137
 - *"The information collected under a State registration program may be disclosed for any purposes permitted under the laws of the state."*

Megan's Law ... The Problem

- Bad People – 87 per 100,000
- List include basic to Level 3 child molesters
- Records are not accurate
- Address not verified or monitored
- Very emotional issue
- No easy solution for the public
- Perception that "Buyer's Agent" will get information
- Information changes daily

Solutions

- Disclose to Buyer "Megan's Law"

- Tell public location of information
- Be clear that you do not “research” the issue – tell them the source
- Discuss with the Seller

Referral Fees

- Before The Fact
- After The Fact
- ARELLO
- The Law
 - *Tortuous interference with your contract*
 - *Not proper to threaten you with benefits of your buyer/seller*

License Renewal

Salespersons Renewal

- Complete 15 hours every 2 years
- 3 mandatory credits in the core course, plus
- 3 mandatory credits in DE/FED law update
- The remaining 9 credits may be in any DE approved continuing education course
- Renewal for Residents April 30 even years
- Nonresidents April 30 odd years

Broker Renewal

- Complete 15 hours every 2 years
- 6 mandatory credits in the Brokers' core course
- The remaining 9 credits may be in any DE approved continuing education course
- Renewal for Residents April 30 even years
- Nonresidents April 30 odd years

The Delaware Real Estate Commission

Duties & Powers

Contemporary Issues

Delaware Real Estate Pre-Licensing Course

This course outline has been developed by the
Delaware Real Estate Commission's Education Committee
and approved by the Delaware Real Estate Commission

Approved by the
Delaware Real Estate Commission
on January 14, 1993

Effective July 1, 1993
Revised 12-10-98

DELAWARE REAL ESTATE PRE-LICENSING COURSE

PURPOSE: To provide the prospective licensee with the background necessary to:

1. Understand the basics of real estate sales, law and mathematics.
2. To provide the prospective licensee with a working knowledge of federal and state laws and regulations affecting the real estate profession.

COURSE OBJECTIVES:

1. To provide an overview of the real estate profession and to insure the prospective salesperson understands the application of professional ethics as applied to real estate transactions.
2. To provide the prospective licensee with an understanding of :
 - A. Real property characteristics, definitions, ownership, restrictions and transfer
 - B. Assessing and explaining property valuation and the appraisal process
 - C. Contracts, agency relationships with buyers and sellers, and federal requirements
 - D. Financing, the transaction and settlement
 - E. Leases, rents, and property management
 - F. The duties and powers of the Commission
 - G. Licensing requirements
 - H. Statutory requirements governing the activities of licensees
 - I. Other aspects of Delaware law which impact the real estate issues
3. To prepare the prospective licensee for passing the real estate sales licensing examination for the State of Delaware.

MAJOR COURSE TOPICS AND HOURS:

Real Estate Orientation	3 hours
Real Estate Sales	36 hours
Real Estate Law	33 hours
Real Estate Mathematics	24 hours
Review for Sales, Law, Mathematics	<u>3 hours</u>
Minimum	99 hours

The hours as outlined are the minimum hours to be offered; a school presenting the Delaware Real Estate Pre-Licensing Course may offer a course with more hours.

The presentation which follows includes topics to be covered and the number of hours to be devoted to each. The manner in which the school sequences the topics does not have to follow the sequence listed. Individual schools should develop a topical understanding of the material and for the instructors' presentation.

The time to be devoted to each topic is listed as “hours”. An hour is defined as fifty (50) minutes of direct contact and ten (10) minutes of break. The three 10 minute break periods, or a total of thirty (30) minutes, can be taken in any means felt appropriate by the instructor.

REAL ESTATE ORIENTATION: One three (3) hour session to include:

1. Real estate Sales Pre-Licensing Course requirements.
2. Delaware Real Estate Sales Licensing requirements.
3. General discussion of actual business practices on the part of the licensee to successfully conduct an agent’s business; i.e., compensation, hours, taxes, automobile liability, business liability, cooperation with other brokers and agents, and demands of public on agent’s time, expertise, and services.
4. School shall offer a math pretest for those students who wish to exempt themselves from attendance of the math portion of this course. This optional math pretest shall be equivalent to the final test given at the conclusion of the math section in content and length. The content of the pretest shall cover each of the topics covered in the course. The students shall be permitted to use calculators when taking the test and a passing score of 80 percent shall exempt a student from taking the math section of this course.

REAL ESTATE SALES: Sessions to include:

1.	Brokerage, Agency, Dual Agency, Buyer Brokerage	3 hours
2.	Listing procedures including practical exercises in taking a listing and preparing the data necessary for a listing	3 hours
3.	Sales including practical exercises of writing an offer of purchase and sale	6 hours
4.	Financing limited to practical knowledge including how to qualify buyers, types of financing	6 hours
5.	Preparing competitive market analysis (CMA)	2 hours
6.	Construction	2 hours
7.	Property management limited to practical aspects	1 hour
8.	Fair housing	3 hours
9.	Ethics	3 hours
10.	Environmental concerns, including soil analysis, septic systems wells, wetlands, radon, asbestos, storage tanks	3 hours
11.	Wood destroying insect infestation	1 hour
12.	Examination	<u>3 hours</u>
Total		36 hours

REAL ESTATE LAW: Sessions to include:

1.	Real Estate License Laws, Rules and Regulations	3 hours
2.	Real Estate Interests, Legislative Update	3 hours
3.	Forms of Ownership	3 hours
4.	Legal descriptions and surveys, title transfers and title records	3 hours
5.	Real Estate Contracts including listings and real estate contracts including discussion of widely used form contracts	3 hours
6.	Financing limited to legal aspects, content of notes, bonds, mortgages, concepts of foreclosure	3 hours
7.	Leases including Delaware Landlord Tenant Code, Delaware Agricultural Lease Act	3 hours
8.	Subdivision, property development, zoning	3 hours
9.	Settlement procedures including examination of settlement sheet	3 hours
10.	Tax aspects of real estate including tax aspects of home ownership, tax deferral of exchanges, one time exclusion of gain, investment real estate, tax treatment of vacation homes, transfer tax	3 hours
11.	Examination	<u>3 hours</u>
Total		33 hours

REAL ESTATE MATHEMATICS: Sessions to include:

1.	Basic mathematics review as deemed necessary by the instructor	3 hours
2.	The relationship between list price, sales price, commission rate, amount of commission	3 hours
3.	Computation of PITI monthly mortgage payment and qualifying a buyer for that payment; computation of simple interest and the amortization of a mortgage loan; computation of discount points; computation of PMI	6 hours
4.	The relationship between assessed value, tax rate and the amount of taxes; computation of transfer tax; proration of mortgage interest and property tax, etc.	3 hours
5.	Real estate geometry (area, volume) and the computation of heated square footage; calculation of depreciation, appreciation, and appraisal mathematics (market comparison vs. cost approach vs. income approach)	3 hours
6.	Computation of cash needed by buyer at closing and monies received by seller at closing	3 hours
7.	Examination	<u>3 hours</u>
Total		24 hours

COORDINATOR: The institution sponsoring the course shall appoint a course coordinator who shall have the following responsibilities:

(1) selection of instructors as required by the guidelines; (2) selection of facilities as required by the Delaware Department of Public Instruction; (3) coordination of course content; (4) coordination of orientation, math pretest, final examinations and retest examinations; (5) coordination of required texts and reference material; (6) issuance of course certificate of completion; (7) dissemination of information concerning application to take the licensing examination administered by testing service; (8) conduct evaluation of course, instructor, facilities and coordination, and to forward evaluation results to the Real Estate Commission within ten (10) days of completion of the education activity; (9) submission of course to Delaware Real Estate Commission for approval prior to offering course. Accountability for the quality of the course given shall remain with the sponsoring organization.

INSTRUCTION: Three individuals are preferred for instruction of the course: (1) a Delaware attorney whose practice has an emphasis on real estate transactions, (2) a licensed Delaware real estate broker, and (3) an individual knowledgeable in performing real estate business mathematics computations, (4) no more than 1 primary instructor from any one real estate firm will be allowed. Additionally, when a specialized topic is presented, it is encouraged that a specialist be used for that particular session, e.g., an environmentalist to cover environmental concerns including soil analysis, septic systems, etc. Where the course is a distance learning offering, instructor(s) qualified at these levels must be accessible to the student.

Because there is some overlapping of material among the three major topics, it is desirable that the course coordinator schedule a meeting of the instructors prior to orientation to: (1) coordinate the presentation of material, and (2) decide who will give major emphasis to specific topics. During this meeting, it must be remembered that some of the students may not, because of exemption, be attending the mathematics portion of the course.

LOCATION: The location of any pre-licensing course must be a DOE approved facility except where the course is being provided in a distance learning format.

SUCCESSFUL COMPLETION: Successful completion is defined as (1) having attended, and (2) having successfully completed the real estate legal, sales and mathematics examinations. Precise definitions for attendance and examination completion are presented below.

Following successful completion, students shall receive from the institution verification of this status. Verification shall be in certificate form as described in the Guidelines for Fulfilling the Delaware Real Estate Education Requirements.

ATTENDANCE: It is strongly recommended that students do not miss any sessions. However, students may miss four sessions, but not more than two in any one subject area (legal, sales or mathematics) and still successfully complete the course. Being absent from a session will not relieve a student of the responsibility for the material covered.

EXAMINATIONS: All examinations shall be developed by the respective educational institution and/or instructor. Scores for successful examination completion shall be mathematics, 70 percent correct; sales 70 percent correct; and legal, 70 percent correct.

An institution shall allow a student to sit for a minimum of one retake examination in each area, legal, sales, mathematics, prior to documenting course failure. It is required that a new examination be developed for students who request retake examinations.

EVALUATION: The course coordinator shall conduct a student evaluation of the course, facilities, instructors and the coordination of the course. They shall submit those evaluations to the Delaware Real Estate Commission's Education Committee within ten (10) days of completion of the course.

TEXTS AND MATERIALS:

Text covering principles and practices of real estate as selected by course provider

Chapter 29, Title 24, Real Estate License Act

Rules and Regulations of the Delaware Real Estate Commission

Chapter 46, Title 6, Equal Rights to Housing, Delaware Code.

Chapter 46, Title 5, Equal Rights to Housing, Delaware Code

Chapters 1, 3, 7 and 22, Title 25, Ownership, Delaware Code

Chapter 21, Title 25, Mortgages on Real Estate, Delaware Code

Chapter 21, Title 25, Unit Properties, Delaware Code

Chapter 27, Title 25, Mechanics Liens, Delaware Code

Chapter 27, Section 2714, Title 6, Statute of Frauds Delaware Code

Chapters 29, 31, Title 25, Liens, Delaware Code

Chapters 51-65, Title 25, Landlord Tenant Code, Delaware Code

Chapter 67, Title 25, Agricultural Lease Act, Delaware Code

Chapter 54, Title 30, Transfer Tax, Delaware Code

Chapter 25, Subchapter VII, Title 6, Buyer Property Protection Act, Delaware Code

Delaware Real Estate Candidate Handbook

Instructors may and are encouraged to use additional references and hand out materials as they feel these materials are needed. Instructors are encouraged to use sample contracts, sample leases, and sample settlement sheets. All real estate information should be generic in nature with no implications of any Real Estate firm. No recruiting of any nature will be allowed by an instructor.

The License Law and the Rules and Regulations of the Commission are readily available on the Commission's web site at www.dpr.delaware.gov. The current Delaware Code is available on line at www.delcode.state.de.us.

DELAWARE REAL ESTATE BROKERS' LICENSING COURSE

This outline was developed by the Delaware Real Estate Commission's Education Committee and approved by the Delaware Real Estate Commission at its meeting 02-14-89, effective September 1989 forward.

OUTLINE REVISION EFFECTIVE 01-05-99
(Approved 12-10-98)

NOTE: This outline complements the content guide for both the uniform and Delaware state law portion of the Brokers' Licensing Examination.

DELAWARE REAL ESTATE BROKERS' LICENSING COURSE

PURPOSE:

1. To protect the public by increasing the knowledge and professionalism of brokers.
2. To provide the Delaware real estate sales agent with the knowledge needed to operate as a Delaware real estate broker.
3. To prepare the experienced Delaware real estate sales agent to open an independent real estate brokerage firm and employ sales agents in his or her name.
4. To present a review of basic real estate math.
5. To prepare the Delaware real estate sales agent to successfully complete the Delaware real estate broker's licensing examination.

OBJECTIVES:

1. To present the real estate profession's ethics and discuss the integration of these ethics in the professional's everyday business practices.
2. To provide the prospective licensee with an understanding of :
 - A. Real property characteristics, definitions, ownership, restrictions and transfer
 - B. Assessing and explaining property valuation and the appraisal process
 - C. Contracts, agency relationships with buyers and sellers, and federal requirements
 - D. Financing, the transaction and settlement
 - E. Leases, rents, and property management
 - F. The duties and powers of the Commission
 - G. Licensing requirements
 - H. Statutory requirements governing the activities of licensees
 - I. Other aspects of Delaware law which impact the real estate issues
 - J. Broker issues including examination of records, eligibility for licensing, and place of business

DELAWARE BROKERS' COURSE

OBJECTIVE I Brokerage (Sales Management) (30 Hours)

- A. Agency Relationship
- B. Operating Philosophy - Listing Control
- C. Statutory Requirements Under Delaware Law
- D. Settlement Procedures
- E. Organizing and Opening an Office
- F. Sales Management, Recruiting, and Training
- G. Advertising and Promotion
- H. MLS Co-Brokerage
- I. Multi-Offer, Presenting the Offer, Negotiating

Brokerage (Business Management)

- A. Broker Responsibilities Under Licensing Law and Rules and Regulations of the Commission
 - 1) Escrow Deposits
 - 2) Licensing Including Display of License and Renewal Responsibility
 - 3) Responsibility for Associates
- B. Organizing and Opening an Office
- C. Risk Reduction - E & O
- D. Settlement Procedures
- E. Budgeting
- F. Future Growth
- G. Independent Contractor/Employee

OBJECTIVE II Real Estate Documents (6 Hours)

- A. Listing Contracts
- B. Sales Contracts & Language of Addenda (Warranty, PMM, 2nd Mortgage, etc.)
- C. Escrow Agreements (Letters of Credit)
- D. Occupancy Agreements
- E. Release of Contracts
- F. Buyers - Brokers Agreement
- G. Settlement Documents
 - Deed Settlement Sheet
 - Mortgage Inspection Reports
 - Title Insurance
 - Site Evaluation
 - Note/Bond & Warrant
- H. Reporting Procedures & Responsibilities Under the Tax Law (i.e. Title Affidavits & Affidavit of Residence & Gain)

OBJECTIVE III Valuing Real Property (6 Hours)

- A. Distinctions and Definitions
 - 1. Appraisal (Certified)
 - 2. Opinion of Value
 - 3. C.M.A.
- B. Three Approaches of Real Property Valuation

OBJECTIVE IV Financing (9 Hours)

- A. Overview of Government Loans
- B. Federal Housing Administration
- C. Farmers Home Administration
- D. Veterans Administration
- E. Government agencies & acts pertaining to real estate finance -- include Regulation A/Truth -in-Lending
- F. Anatomy of a mortgage to include special clauses
- G. Finance Instruments
- H. Conditions & procedures involved in default & foreclosure
- I. Non-federal insured mortgages
 - IRB's
- J. Purchase money mortgage
- K. Conventional mortgage - Fixed ARM
- L. Secondary mortgage market
- M. Assistance in arranging financing
- N. Other ways to finance - Bridge, Construction, etc.
- O. Sources of junior or secondary loans

OBJECTIVE V (9 Hours)

- Landlord-Tenant Code
- A. Rights and remedies of landlord and tenant
- B. The process of landlord/tenant litigation
- Property Management
- A. Types of tenancies and leases; negotiating leases
- B. Aspects of property management
- Condominiums
- A. Condominiums/cooperatives; conversion requirements; types of ownerships
- B. State statutes dealing with condominiums

OBJECTIVE VI Legal and Governmental Aspects of Real Estate (15 Hours)

- A. The Delaware Real Estate License Law and the Rules and Regulations
- B. The Federal & State Fair Housing Acts (include record-keeping responsibilities VAMA)
- C. The Law of Agency
- D. Interest in Real Property & Types of Property Ownership

- E. Statute of Frauds
- F. Mechanic's and Materialman's Liens
- G. Federal and State Environmental Regulatory Policies (site evaluation, septic process, well, bulkhead & piers)
- H. Planning, subdivisions, zoning, deed restrictions, covenants, right of ways and access
- I. Legal implications of public powers over real property (eminent domain, escheat, police power, taxation, etc.)
- J. Surveys (types and uses)
- K. Assessment, Property Taxes & Taxes, Transfers
- L. Tax aspects of buying and selling real estate (Highlights of current law)

OBJECTIVE VII Real Estate Investment (12 Hours)

- A. Characteristics of Investment Real Estate
- B. Investment analysis
- C. Syndication

OBJECTIVE VIII Ethics (6 Hours)

- A. Ethics Issues Addressed in the Real Estate License Act and the Rules and Regulations
- B. Discussion of Ethics as Promulgated by Professional Trade Organizations

OBJECTIVE IX Math (3 Hours)

- A. Review of Basic Real Estate Math

Final Exam

TOTAL MINIMUM HOURS REQUIRED: 96 Classroom plus Final Examination

Successful completion is defined as (1) has attended, and (2) has successfully completed an end-of-course examination. (Precise definitions for attendance and examination completion are presented below.)

Following successful completion, students shall receive from the institution verification of this status. Verification shall be in certificate form as described in the Guidelines for Fulfilling the Delaware Real Estate Education Requirements.

ATTENDANCE:

It is strongly recommended that students do not miss any sessions. However, students may miss four sessions, (a session is equivalent to three classroom hours) and still successfully complete the course. Being absent from a session will not relieve a student of the responsibility for the material covered.

EXAMINATIONS:

An end-of-course examination shall be developed and administered by the respective educational institution and/or instructor(s). The score for successful examination completion will be 75 percent correct.

An institution will allow a student to sit for one retake examination prior to documenting course failure. A new examination shall be developed for students who request the retake.

Institutions may elect, and it is encouraged that practice examinations be administered during the conduct of the course.

FACILITIES:

It is strongly recommended that course material be presented in a classroom setting conducive to learning, except where the course is being provided in a distance learning format.

INSTRUCTOR and COORDINATOR :

Refer to Guidelines for Fulfilling Delaware Real Estate Education Requirements.

TEXTS AND MATERIALS:

Text(s) covering broker aspects of real estate practice as selected by the course provider.

Chapter 29, Title 24 , Real Estate License Act

Rules and Regulations of the Delaware Real Estate Commission

Delaware Real Estate Candidate Handbook

Instructors may and are encouraged to use additional references and hand out materials as they feel these materials are needed.

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